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HOUSE BILL NO. 1918

Offered January 14, 2015

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A *BILL to amend and reenact §§ 63.2-503 and 63.2-514 of the Code of Virginia, relating to public assistance; determining eligibility.*

Patrons—LeMunyon, Bell, Robert B., O'Bannon and Simon

Referred to Committee on Health, Welfare and Institutions

Be it enacted by the General Assembly of Virginia:

1. That §§ 63.2-503 and 63.2-514 of the Code of Virginia are amended and reenacted as follows:

§ 63.2-503. Procedure upon receipt of application.

A. Upon receipt of the application for public assistance, the local director shall make or cause to be made promptly ~~such an investigation as he deems necessary~~ to determine the completeness and correctness of the statements contained in the application and to ascertain the facts supporting the application and such other information as the local board or the Commissioner may require; ~~to determine whether an applicant is eligible for public assistance~~ and shall submit recommendations in writing to the local board.

B. In conducting the investigation required by subsection A, the local director shall verify each applicant's identity, income, assets, and any other information necessary, consistent with federal law and regulations, for the purpose of determining eligibility for public assistance, eliminating the duplication of assistance, and deterring fraud.

C. In cases in which information obtained as a result of the investigation required by subsection A is inconsistent with information provided by the applicant at the time of application, the local director shall notify the applicant in writing and provide opportunity for the applicant to explain the discrepancy. If the applicant fails to respond within 10 days of the date of such notice, the local director shall deny the application for public assistance. If the applicant responds within 10 days of such notice, upon receipt of such response, the local director shall conduct such further investigation as may be necessary to verify the applicant's response and resolve the discrepancy between information provided by the applicant and information obtained as a result of the investigation required by subsection A. If the local director determines that the information obtained as a result of the investigation required by subsection A is accurate, and that as a result the applicant is ineligible for public assistance, the local director shall so notify the applicant and public assistance shall be denied. In any case in which the local director believes that the applicant has obtained or attempted to obtain public assistance by means of willful false statements or representations, impersonation, or other fraudulent devices, the local director shall notify the Commissioner or the Director of the Department of Medical Assistance Services, as may be appropriate, and the Commissioner or the Director of the Department of Medical Assistance Services shall conduct an investigation in accordance with the provisions of § 63.2-522.

D. Prior to approving payment of public assistance to an applicant, the local department shall require the applicant to authenticate his identity and prove that he owns the identity presented on the application for public assistance by answering a series of questions about his personal or financial information, the answers to which the local director may independently verify. In cases in which the local director believes that the applicant does not own the identity presented on the application, the local director shall refer the case to the appropriate law-enforcement agency for investigation in accordance with § 63.2-522.

E. The Department shall enter into a contract with a third-party vendor for the provision of data for the purpose of conducting the search required by subsection B in a searchable electronic format. Such vendor shall review such data at least quarterly to verify the identity, income, assets, and any other information necessary for each person receiving public assistance and shall contact the Department immediately upon discovering information indicating a change in a recipient's circumstances that could warrant reconsideration, cancellation, or changes in the amount of public assistance paid to the recipient necessary, in accordance with the provisions of § 63.2-514.

F. The Department shall report to the General Assembly no later than December 1 of each year on the following:

1. Which of the following types or sources of information local directors used, either directly or through a third-party vendor, during the past year for the purpose of verifying applicants' identity, income, assets, and other information pursuant to subsection B and which of the following types or

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59 sources of information local directors did not use during the past year to verify applicants' identity,
60 income, assets, and other information:

- 61 a. Immigration status information maintained by U.S. Citizenship and Immigration Services;
- 62 b. Death register information maintained by the U.S. Social Security Administration;
- 63 c. Prisoner information maintained by the U.S. Social Security Administration;
- 64 d. Earned income information maintained by the U.S. Social Security Administration;
- 65 e. Beneficiary records and earnings information maintained by the U.S. Social Security
66 Administration in its Beneficiary and Earnings Data Exchange (BENDEX) database;
- 67 f. Earnings and pension information maintained by the U.S. Social Security Administration in its
68 Beneficiary Earnings Exchange Record System (BEERS) database;
- 69 g. Supplemental Security Income information maintained by the U.S. Social Security Administration
70 in its SSI State Data Exchange (SDX) database;
- 71 h. Unearned income information maintained by the Internal Revenue Service;
- 72 i. Employment information maintained by the Virginia Employment Commission;
- 73 j. Information contained in employer quarterly reports of income and unemployment insurance
74 payments maintained by the Virginia Employment Commission;
- 75 k. Employment information maintained by the U.S. Department of Health and Human Services in its
76 National Directory of New Hires database;
- 77 l. Wage reporting and similar information maintained by states contiguous to the Commonwealth;
- 78 m. National fleeing felon information maintained by the Federal Bureau of Investigation;
- 79 n. Public housing and Section 8 Housing Assistance payment information maintained by the U.S.
80 Department of Housing and Urban Development;
- 81 o. Veterans benefits information maintained by the U.S. Department of Health and Human Services,
82 in coordination with the Virginia Department of Health and the Virginia Department of Veterans
83 Services, in the federal Public Assistance Reporting Information System (PARIS) database;
- 84 p. Child care services information maintained by the Department of Social Services;
- 85 q. Utility payments information maintained by the Commonwealth under the Low Income Home
86 Energy Assistance Program;
- 87 r. Emergency utility payment information maintained by the Commonwealth or local entities;
- 88 s. Information from a database of all persons who currently hold a license, permit, or certificate
89 from any state agency the cost of which exceeds \$1,000;
- 90 t. Information from a nationwide public records data source of physical asset ownership, such as
91 real property, automobiles, watercraft, aircraft, and luxury vehicles;
- 92 u. Information from a nationwide public records data source of incarcerated individuals;
- 93 v. Information from a nationwide best-address and driver's license data source to verify whether
94 individuals are residents of the Commonwealth;
- 95 w. Information from a comprehensive public records database that identifies potential identity fraud
96 or identity theft and can closely associate name, social security number, date of birth, and telephone
97 and address information;
- 98 x. Information from records of national and local financial institutions, in order to locate undisclosed
99 depository accounts or verify account balances of disclosed accounts;
- 100 y. Outstanding default or arrest warrant information maintained by the Central Criminal Records
101 Exchange, the criminal justice information system, and the warrant management system;
- 102 z. Information from a database that is substantially similar to or a successor of a database
103 established in this section;
- 104 aa. Income and employment information maintained by the Division of Child Support Enforcement of
105 the Department of Social Services and the Office of Child Support Enforcement of the U.S. Department
106 of Health and Human Services;
- 107 ab. Earnings and pension information maintained by the Virginia Retirement System; and
- 108 ac. Any existing real-time database of persons currently receiving benefits in other states, such as the
109 National Accuracy Clearinghouse;
- 110 2. Any types or sources of information not included in subdivision 1 that local directors obtained,
111 either directly or through a third-party vendor, during the past year for the purpose of verifying
112 applicants' identity, income, assets, and other information;
- 113 3. Any types or sources of information in subdivision 1 that the Department plans to require local
114 directors to use in the future to verify applicants' identity, income, assets, and other information, and the
115 approximate date on which the Department plans to require such use; and
- 116 4. Any types or sources of information included in subdivision 1 that the Department believes local
117 directors should not use to verify applicants' identity, income, assets or other information and the
118 reasons therefor.
- 119 G. The Department shall include in its report required pursuant to subsection F the number of
120 applications for public assistance reviewed in accordance with this section; the number of cases in

which eligibility for public assistance was approved, denied or changed; the number of cases referred for investigation in accordance with subdivision C or D; and any savings to the Commonwealth resulting from investigations required pursuant to this section.

H. The Board may by regulation authorize the local directors to provide immediate and temporary assistance to persons pending action of the local boards.

§ 63.2-514. Reconsideration or changes in amount of public assistance; cancellation.

A. ~~All~~ Eligibility for public assistance ~~grants~~ shall be reconsidered by the ~~local board~~ as frequently as may be required by ~~Board regulations~~ Department at least annually or upon receipt of information indicating a change in the recipient's circumstances that may affect the amount of assistance paid to a recipient or the recipient's eligibility for assistance, and at such other times as the local board may deem necessary. As part of such reconsideration, the Department shall conduct an investigation to determine whether a recipient is eligible for renewal of public assistance. Such investigation shall include a review of information described in subsection B of § 63.2-503 for each applicant. After such investigation as the ~~local board~~ deems necessary, or the Board requires, the amount of public assistance may be changed, or public assistance may be entirely withdrawn if the ~~local board~~ Department finds that the recipient's circumstances have altered sufficiently to warrant such action.

B. In cases in which information obtained as a result of the investigation required by subsection A is inconsistent with information provided by the applicant, the Department shall notify the applicant in writing and provide opportunity for the applicant to explain the discrepancy. If the applicant fails to respond within 10 days of the date of such notice, the Department shall refuse to renew the applicant's eligibility for public assistance. If the applicant responds within 10 days of such notice, upon receipt of such response, the Department shall conduct such further investigation as may be necessary to verify the applicant's response and resolve the discrepancy between information provided by the applicant and information obtained as a result of the investigation required by subsection A. If the Department determines that the information obtained as a result of the investigation required by subsection A is accurate, and that as a result the applicant is ineligible for public assistance, the Department shall so notify the applicant and public assistance shall be denied. In any case in which the Department believes that the applicant has obtained or attempted to obtain public assistance by means of willful false statements or representations, impersonation, or other fraudulent devices, the Department shall notify the Commissioner or the Director of the Department of Medical Assistance Services, as may be appropriate, and the Commissioner or the Director of the Department of Medical Assistance Services shall conduct an investigation in accordance with the provisions of § 63.2-522.

C. If the ~~local board~~ Department does not act within ~~thirty~~ 30 days of the receipt of information affecting the amount of assistance or the eligibility therefor as to any recipient, or if the circumstances require immediate action, the ~~local director~~ Commissioner may make necessary adjustments in the amount of public assistance or suspend further assistance to any such individual pending action by the ~~local board~~ Department.